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U.S. Farm Exports to Central and Eastern Europe Remained Unchanged in 1998

U.S. farm exports to Central and Eastern Europe reflected significant gains in poultry meat in 1998. Although U.S. exports to Estonia showed the greatest value gain, most of the large poultry meat shipments to that country and Latvia eventually reached Russia and other destinations in the former Soviet Union.

The best opportunities in the region for U.S. exporters include bulk commodities for conversion into value-added products.

In the short term, the conflict in Kosovo will lead to increased U.S. food aid to Central and Eastern Europe. Longer term, U.S. exports will continue to depend on the region's weather, economic reforms, border protection, and food shipments to Russia.

U.S. Agricultural Exports to Central and Eastern Europe				
Calendar Years	(Jan-Dec)		(Jan-May)	
Product	1997	1998	1998	1999
Poultry Meat.....	178,256	201,747	82,280	88,199
Eggs & Products...	2,362	1,379	963	333

Source: USDA/Foreign Agricultural Service.

JAPANESE FROZEN EGG IMPORTS (IN TONS)

Month	Frozen			Total
	Whole Eggs	Frozen Yolks	Frozen Albumen	
1998				
January	210.7	1,624.6	272.2	2,107.5
February	128.6	1,280.3	386.9	1,795.8
March	94.2	1,183.7	278.0	1,555.9
April	101.2	846.8	413.7	1,361.7
1998 To-Date	534.7	4,935.4	1,350.8	6,820.9
1999				
January	170.6	1585.1	423.5	2668.2
February	164.0	647.4	161.2	972.6
March	151.4	644.1	357.3	1152.8
April	198.1	715.6	181.4	1095.1
1999 To-Date	684.1	3592.2	1612.4	5,888.7

Source: ALIC Monthly Statistics

The Agricultural Outlook - U.S. Red Meat & Poultry Exports Plateau

Red meat and poultry exports grew at double-digit rates since 1986, yet only advanced 1 percent in 1998, reaching 8.95 billion pounds. The level of exports may increase another 1-2 percent in 1999, due in part to food aid to Russia, but will likely decline about 2 percent in 2000. This would be the first drop since 1985. Three factors are contributing to the slowdown: the collapse of the Russian economy (affecting poultry and pork), the downturn and slow recovery of Asian economies, and currency devaluations for both importers and competitors.

U.S. broiler exports are expected to total 4.6 billion pounds in 2000, down about 1 percent from the 1999 forecast level. Exports to the Baltic States are expected to decline from this year's exceptional growth. After growing rapidly since the late 1980's, broiler exports have hovered between 4.5 and 4.7 billion pounds since 1997 and the collapse of the Russian market.

U.S. turkey exports are forecast at 400 million pounds in 2000, about even with the 1999 forecast. Gains in sales to Mexico and some Asian countries, chiefly South Korea, are expected to offset reduced shipments to Russia and other Eastern European countries. Because Mexico is the leading buyer of U.S. turkey (56 percent of exports in 1998), its economy will largely determine the level of U.S. turkey exports. Mexico's Gross Domestic Product is forecast to grow a relatively healthy 2-3 percent in both 1999 and 2000. U.S. exports to Korea, which was a major market for U.S. turkey before economic adversity struck in 1998, could rebound sharply if the Korean economy continues to improve in 1999 and into 2000. Export prospects to South Korea are better for turkey. Domestic turkey production is limited, and turkey imports are rebounding from the sharp declines in 1996 and 1997.

For further information, contact: Milton Madison, domestic poultry and eggs; David Harvey, poultry and egg trade at (202) 694-5180.

Source: USDA/Economic Research Service

Brazil to Export Poultry to Canada

Brazil and Canada have signed a trade agreement under which Brazil will export chicken meat to Canada for the next three years. Brazil is expecting to export \$100 million worth of chicken, including breasts and processed products, each year to Canada for the next three years. The first shipment is expected to leave Brazil in August, according to a report in the Gazeta Mercantil.

Brazil is Canada's largest export market south of the United States, with 1998 exports totalling \$1.37 billion and imports from Brazil totalling \$1.38 billion. Brazil is one of five priority markets for the Export Development Corporation.

Source: WATTNET Home Page and Canada Department of Foreign Affairs and International Trade

W/F 17-Jul -99

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT

FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS

JULY 23, 1999

Trade sentiment for tom breast meat and tenders mostly steady. Mechanically separated turkey trading fairly heavy at steady to weak price levels going to export. Trading for other parts and meats slow with limited activity going to export. 3 loads of fresh destrapped tenderloins traded at 175 cents.

FRIDAY, JULY 23, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	16.50		16.50	240	16.63	640
WINGS FULL-CUT - TOMS		F	20.17	60		
WINGS, V-TYPE, TOM		W	21.00	104	21.00	104
TAILS		R	15.00	120	15.00	120
MECHANICALLY SEPARATED 4/	16.00		16.00	440	14.87	1,792
THIGH MEAT - FROZEN		R	44.66	1,300	44.88	2,704

THURSDAY, JULY 22, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	17.00		17.00	120
WINGS FULL-CUT - TOMS		F	20.17	60
WINGS, V-TYPE, TOM		W	21.00	104
TAILS	15.00		15.00	120
MECHANICALLY SEPARATED 4/	12.50-15.00		14.50	1,352
THIGH MEAT - FROZEN	43.00-47.00		44.66	1,300

WEDNESDAY, JULY 21, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	16.00-17.00		16.57	280
WINGS FULL-CUT - TOMS		F	20.17	60
WINGS, V-TYPE, TOM	21.00		21.00	104
TAILS		F	16.00	52
MECHANICALLY SEPARATED 4/				
THIGH MEAT - FROZEN	43.00-49.00		44.92	1,300

TUESDAY, JULY 20, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	18.50	180
WINGS FULL-CUT - TOMS		F	20.17	60
WINGS, V-TYPE, TOM		T	21.00	104
TAILS		F	16.00	52
MECHANICALLY SEPARATED 4/				
THIGH MEAT - FROZEN	47.00		47.00	104

MONDAY, JULY 19, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	18.50	180
WINGS FULL-CUT - TOMS		F	20.17	60
WINGS, V-TYPE, TOM		T	21.00	104
TAILS		F	16.00	52
MECHANICALLY SEPARATED 4/				
THIGH MEAT - FROZEN		F	51.49	708

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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